

Message Text

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TAGS: OVIP (INGERSOLL, ROBERT S.)

SUBJECT: DAILY ACTIVITIES REPORTS FROM THE PRINCIPALS,
THURSDAY, SEPTEMBER 4, 1975

P - JOSEPH J. SISCO

DURING THE DAY I ATTENDED YOUR MEETING WITH THE
PRESIDENT AND THE CONGRESSMEN, ACCOMPANIED YOU FOR
YOUR TESTIMONY BEFORE SENATE FOREIGN RELATIONS COM-
MITTEE AND SPENT MOST OF THE REST OF THE DAY READING
IN AND WORKING ON SEVERAL FACETS OF THE EGYPTIAN-
ISRAELI AGREEMENT.

TOMORROW I SHALL ACCOMPANY YOU TO NEW YORK.

FROM UNDER SECRETARY ROBINSON (9/4/75)

1. I MET WITH SHEIK HAMDAN, MINISTER OF FINANCE AND
INDUSTRY OF THE UNITED ARAB EMIRATES. WE DISCUSSED THE
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) AND
I STRESSED TO HIM THE IMPORTANCE THE U.S. PLACED ON ITS

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SUCCESS. HAMDAN INDICATED THAT HE WAS SYMPATHETIC AND

WOULD REPORT ON IT TO HIS GOVERNMENT. HE EMPHASIZED THE EMPATHETIC NATURE OF THE UAE IN TERMS OF AN OPEC PRICE INCREASE, BUT STRESSED THE UAE'S SMALL ROLE IN THE ORGANIZATION.

2. CANADIAN FINANCE MINISTER TURNER CAME IN BRIEFLY. WE REVIEWED ECONOMIC DEVELOPMENT NORTH AND SOUTH OF THE BORDER. HE STRESSED THE NEED FOR INCREASING ECONOMIC COORDINATION BETWEEN ALL DEVELOPED COUNTRIES. I PROVIDED HIM WITH A RUNDOWN ON THE STATUS OF THE PRODUCER/CONSUMER DIALOGUE.

3. MR. YEGANEH, GOVERNOR OF IRAN'S CENTRAL BANK, CALLED ON ME TO DISCUSS PREPCON ISSUES, ESPECIALLY LINKAGE BETWEEN THE VARIOUS COMMISSIONS AS WELL AS A TIME AND A PLACE FOR THE RECONVENED PREPCON. I BROUGHT UP THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD) AND HE INDICATED SYMPATHY BUT NO TECHNICAL KNOWLEDGE ON THE SUBJECT.

4. I ATTENDED YOUR STAFF MEETING.

5. I HOSTED A LUNCHEON IN HONOR OF EGYPTIAN MINISTER OF ECONOMY AND COOPERATION SAHFEI WHO GAVE AN ENCOURAGING REPORT ON A NUMBER OF ACTIONS BY THE EGYPTIAN GOVERNMENT TO CARRY OUT THE LIBERALIZATION OF THE ECONOMY AND TO REMOVE OBSTACLES TO FOREIGN PRIVATE INVESTMENT.

6. HE PROPOSED SEPARATING THE JOINT COMMISSION WORKING GROUP ON ECONOMIC AND FINANCIAL MATTERS INTO TWO SEPARATE GROUPS: (1) FINANCIAL AND COMMERCIAL, AND (2) DEVELOPMENT AND INVESTMENT. I AGREED TO STAFF OUT THIS PROPOSITION WHILE HE IS IN TOWN WITH A VIEW TO BEING READY FOR A FULL COMMISSION MEETING WHEN PRESIDENT SADAT VISITS WASHINGTON. WE ALSO ENCOURAGED HIM TO PURSUE DISCUSSIONS HE STARTED WITH MCNAMARA TOWARDS THE ESTABLISHMENT OF AN INTERNATIONAL AID CONSULTING GROUP TO BE CHAIRED BY THE WORLD BANK, EFFECTIVE NEXT YEAR.

7. GREEK FINANCE MINISTER DEVLETOGLOU AND THE GOVERNOR
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OF THEIR CENTRAL BANK ZOLOTAS CALLED ON ME TO DISCUSS THE CRITICAL NEED FOR U.S. ASSISTANCE. THEY EXPLAINED THAT THE PROBLEM WAS NOT STRUCTURAL AND WOULD BE OF TEMPORARY DURATION, PERHAPS TWO OR THREE YEARS. DURING THIS TIME, HOWEVER, THEY WOULD BE IN URGENT NEED OF ASSISTANCE IN ORDER TO COPE WITH EXTREME PRESSURE ON THEIR FOREIGN EXCHANGE RESERVES ARISING OUT OF: (1) INCREASE IN THE PRICE OF ENERGY, (2) ARMS PURCHASES

FOR NATIONAL SECURITY, AND (3) INCREASED COST IN SERVICING THE FOREIGN DEBT DUE TO RISE IN INTEREST RATES. BOTH STRESSED THAT THERE WOULD BE GRAVE DANGER OF SOCIAL INSTABILITY IF THEY WERE NOT ASSISTED IN GETTING OVER THIS VERY CRITICAL PERIOD.

8. IN THE COURSE OF THE DAY I ALSO SEPARATELY LISTENED TO BOB BLACKWELL OF MARITIME AFFAIRS ON SHIPPING PROBLEMS WITH THE SOVIETS, INCLUDING THE RATE QUESTION FOR GRAIN MOVEMENTS, AND GOT GREENSPAN'S IDEAS ABOUT HOW TO LIMIT INFLATIONARY DANGERS WHICH MIGHT COME FROM INCREASED GRAIN SALES. FINALLY, I MET WITH SECRETARY DUNLOP TO GET HIS VIEWS CONCERNING LABOR'S ASPECTS OF GRAIN SALES TO THE SOVIETS.

FROM T - CARLYLE E. MAW

MET WITH MONROE LEIGH TO DISCUSS QUESTIONS CONCERNING MIDDLE EAST DOCUMENTS.

MET WITH MY STAFF AND REPRESENTATIVES OF L AND ARA TO DISCUSS SITUATION WITH RESPECT TO VIOLATIONS OF TUNA COMMISSION CONSERVATION REGULATIONS BY PANAMANIAN AND OTHER FOREIGN VESSELS. SUBSEQUENTLY ATTENDED INFORMAL HEARING WITH CONGRESSMAN LEGGETT AND CONGRESSWOMAN SULLIVAN, TOGETHER WITH DEPARTMENT OF COMMERCE REPRESENTATIVES AND TUNA INDUSTRY REPRESENTATIVES CONCERNING POSSIBLE ACTION TO OBTAIN ENFORCEMENT OF TUNA COMMISSION CONSERVATION REGULATIONS AGAINST FOREIGN FLAG VESSELS OR SUSPENSION OF U.S. REGULATIONS TO PERMIT U.S. TUNA FISHERMEN TO TAKE THEIR "EQUITABLE SHARE." COMMERCE WILL BE CONSULTING US ON POSSIBLE ACTIONS.

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I ATTENDED YOUR STAFF MEETING.

HAD LUNCH WITH ROZANNE RIDGWAY. SHE IS A HIGHLY REGARDED FSO EXPERT IN FISHERIES.

I MET WITH TOM STERN, BILL LEWIS AND JIM MICHEL TO REVIEW LEGISLATIVE STRATEGY FOR THE FY 1976 SECURITY ASSISTANCE PROGRAM. WE ARE DEVELOPING A HUMAN RIGHTS REPORT FOR DISSEMINATION ON THE HILL AS WELL AS INTERIM CONGRESSIONAL PRESENTATION MATERIAL PENDING FINAL DECISIONS BY THE PRESIDENT ON THE MIDDLE EAST PACKAGE. JIM MICHEL IS TO PREPARE A FIRST DRAFT OF LEGISLATION REQUIRED WITHIN THE FRAMEWORK OF THE FOREIGN ASSISTANCE ACT.

TOMORROW I WILL BE MEETING WITH RABASA AT THE MEXICAN

MISSION IN NEW YORK TO DISCUSS MEXICO'S RECENT ANNOUNCEMENT THAT IT INTENDS TO DECLARE A 200-MILE PATRIMONIAL SEA AND RELATED MATTERS.

FROM EAGLEBURGER

WE HAVE RECEIVED THE INSPECTION REPORT ON THE RESETTLEMENT OF SOUTHEAST ASIAN REFUGEES. THE INSPECTORS IDENTIFIED SOME PROBLEMS MOSTLY CONCERNED WITH FISCAL MATTERS THAT REQUIRE QUICK CORRECTION. THESE PROBLEMS INCLUDE THE LACK OF TIMELY AND ACCURATE COST REPORTS AND PROJECTIONS FROM DOD AND OTHER AGENCIES, ACCOUNTING FOR OBLIGATIONS AND EXPENDITURES AND INACCURATE AND OCCASIONALLY DUPLICATORY BILLING PROCEDURES. THERE ARE ALSO SOME PROCEDURAL RECOMMENDATIONS FOR DEALING WITH THE VOLUNTARY AGENCIES AND OTHERWISE SYSTEMATIZING THE OPERATION. I HAVE TASKED VARIOUS BUREAUS TO CORRECT THESE PROBLEMS. I SHOULD ADD THAT THE OVERALL REPORT WAS GOOD; THE PROBLEMS DESCRIBED ABOVE WERE EXCEPTIONS.

I APPROVED A NEW FSI COURSE IN ECONOMIC FORECASTING; CONSIDERING THE TRACK RECORD OTHER ECONOMIC FORECASTERS ARE SHOWING IN THIS CITY WE THOUGHT WE WOULD GIVE THE FOREIGN SERVICE A CHANCE TO GET IN ON THE ACT.

FROM SONNENFELDT
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I ATTENDED PPG SESSION AND YOUR STAFF MEETING.

I CONTINUED TO WORK ON VARIOUS ASPECTS OF YOUR NEW YORK TRIP.

BEFORE GIVING HIM A LUNCHEON, I RECEIVED ITALIAN FOREIGN MINISTRY SECRETARY GENERAL MANZINI. HE AGAIN RECITED ITALIAN PROBLEMS WITH FORUMS FROM WHICH THEY ARE EXCLUDED AND EXPLAINED HOW THEY WILL TEST THE SINCERITY OF THEIR FRIENDS WHO HAVE GIVEN THEM ASSURANCES THAT THEY WILL NOT BE IGNORED IN FUTURE. I ALSO AGAIN STRESSED THE SERIOUSNESS WITH WHICH WE TAKE THE FORTHCOMING KOREAN DEBATE IN THE UNGA AND OUR EXPECTATION OF ITALIAN SUPPORT. AT THE SUBSEQUENT LUNCHEON, WE DISCUSSED THE INTERNAL ITALIAN SCENE.

MY STAFF ATTENDED A VPWG MEETING WHICH ADDRESSED ABM REPLACEMENT PROCEDURES IN PREPARATION FOR THE SCC SESSION WHICH WILL CONVENE SEPTEMBER 22.

THE FIRST MEETING OF EUROPEAN SOCIALIST LEADERS TO CON-

SIDER ASSISTANCE TO DEMOCRATIC FORCES IN PORTUGAL IS TO BE HELD IN LONDON TOMORROW, WITH PARTICIPATION TO INCLUDE PALME, WILSON, MITTERAND, BRANDT AND DEN UYL. I HAD HARTMAN CABLE TO RICHARDSON ASKING HIM TO WORK THROUGH THE BRITISH LABORITES TO ENSURE THAT PALME'S REPORTED SUPPORT FOR UNCONDITIONAL AID TO PORTUGAL (AS OPPOSED TO AID TO PORTUGUESE DEMOCRATIC FORCES) DOES NOT PREVAIL.

I WILL ALSO URGE INGERSOLL, IN HIS MEETING WITH PALME LATER THIS MONTH, TO INDICATE OUR STRONG SUPPORT FOR SWEDISH AID TO PORTUGUESE SOCIALISTS, AND OUR EQUALLY STRONG DESIRE TO SEE ASSISTANCE TO PORTUGAL ITSELF LINKED TO A DEMOCRATIC EVOLUTION IN THAT COUNTRY.

I JOINED CHUCK ROBINSON IN MEETINGS ON SHIPPING AND GRAIN PROBLEMS. KISSINGER

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